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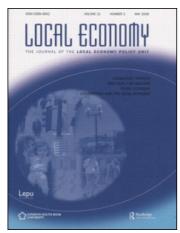
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# **Building the Manchester of the Future**

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#### IN PERSPECTIVE

# Building the Manchester of the Future

#### MIKE EMMERICH & BARON FRANKAL

Manchester Enterprises, Manchester, UK

That Manchester's Multi Area Agreement (MAA) contains more commitments than the other MAAs combined should be no great surprise to anyone that has read it. The reason is that the majority of the actions we have already progressed a long way were years in the making. For government, the MAA is a recognition that more devolved decision-making helps achieve national aspirations, but for the world's original modern city, the MAA is one tool in our box to get all the actors at local, national, regional and Greater Manchester level — which we term simply 'Manchester' — to work in a much more coordinated way towards the common goal of long-term sustainable economic growth.

## Don't Stop Reading, but Governance is Part of the Story

This may be best symbolised by our radical new governance structure – innovation in practice. Nowhere else in Europe are different local authorities working as closely together as we are in Manchester, where Local Authorities are delegating strategic authority to seven sturdy Commissions. The one in which the authors work – Economic Development, Employment and Skills – has only six Councils represented on it, and is accountable to Manchester's Executive Board, which can make decisions, as set out in its newly-ratified Constitution, on the basis of

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majority voting. Even more radically, the Commission has a private-sector majority Board: how many Skills and Employment Strategies have you read that start 'Many of us in the private sector are rather sceptical about grand public sector strategies . . .'

This adds up to a groundbreaking attempt to put together a single, cohesive city region that can collectively determine the best way forward and can effectively implement it through a variety of sub-regional organisations that closely coordinate with each other, with their ten constituent Districts, and with the other regional and national authorities without which we cannot pull the levers we need to implement our single 'Economic Strategy', in areas including innovation, investment, enterprise, branding, employment and skills. Getting regional and national agreement to our new *modus operandi* and bringing new competencies to the party is a primary function of the MAA.

## **All-round Leadership**

In these challenging times, we are providing strategic leadership, spreading best practice, developing new, targeted initiatives and benchmarking and evaluating our performance – all tools to drive forward coordination. And this economic workstream links very closely to those of our sister commissions: on transport, housing and planning, health, crime prevention, the environment and collaboration. A web of groupings and networks is being rolled out to ensure the Commissions talk to each other and build their strategies and actions on the basis of those of the others.

Manchester is doing its very best to ensure that the potential economic benefits of this deep collaboration are fully realised. Our new structures also enable us to act fast: in these game-changing economic times, all bets are off and smart and immediate responses are necessary, for example, to avoid unemployment solidifying into long term worklessness. We all know that our strategy must both stand the test of time and pass the 'so what' test with flying colours. Short term pressures must not crowd out the needs of tomorrow and divert us from mapping out a well-reasoned path to that long-term, sustainable economic growth. The places that come out of this downturn on top will be those that are best able to analyse rapidly-changing evidence, find their feet quickly and adapt. Having the right skills and enterprising instincts are crucial foundations of that.

# **Skills and Employment**

Because having a highly-educated and skilled workforce has been repeatedly shown to be a key contributor to economic growth, in a city with worklessness on the scale we have, getting skills and employment policies working together is a major priority. This brief article cannot do justice to the breadth of our endeavour, but a snapshot of our innovative

pioneering work can be read in our current Skills and Employment Consultation. Even at this early stage, the Consultation<sup>1</sup> represents great cooperation by Local Authorities, Jobcentre Plus and DWP providers, the Learning and Skills Council, the North West Development Agency, Manchester's Universities and a broad representation of our growing higher education sector.

## Manchester's Four Skills and Employment Priorities

## (1) Raising Skills

Not only are we raising the skills profile of our workforce, but we know we need to do so in a way that meets the real needs of real employers in the future. That is to be highly-informed by the Manchester Independent Economic Review. Our local economy is changing rapidly and we are working hard on new capacity and methodologies to provide us with better information on our labour markets and a better understanding of how to enable that demand to shape supply. That does not mean employing consultants to tell us what to do, but taking responsibility as a city for our most important asset: our own people. It also means a strategic focus on convincing more of the very best and brightest British, European and global talent that Manchester is their number one career destination.

## (2) Driving up Employer Demand for Skills

Through extending our 'new way of working' to employer engagement, we hope to get more employers more focused on skills development. We are well-placed to stimulate, encourage and support employers to invest in the skills of their workforce, although we know we have work to do to develop those levers, particularly in the current economic climate, when many employers are under pressure to reduce investment in skills. Success in this is a pre-condition for changing the supply of skills so that it meets employers' needs and those of a successful Manchester in ten years' time. We are also working hard to catalyse, support and reward innovation at all levels and in all forms.

# (3) Better Equipping Young People

Young people's participation and attainment levels represent the future competitiveness and productivity of our labour pool, and so a focus of our Strategy must be on taking young people all the way through the 'first stage' of their education, up to and including university. It must be on providing all sections of our society with the skills they need for a

Which can be found at http://www.manchester-enterprises.com/

successful transition to working life. In part, this is about raising aspirations, regardless of background, to get more people to go on to better higher education. It's also about convincing employers of the benefits to them of enriching the learning options available to young people and about the efficient delivery of a comprehensive range of high-quality vocational-based learning options that truly motivate young people and lead to higher achievement. A tall order.

# (4) Tackling Worklessness, Including through Improving Job Sustainability

We want *all* our residents and neighbourhoods to experience the transformation seen in recent years in only *some*. Skills and employment have a hugely important role to play in this respect by tackling the stubborn culture of worklessness, and pro-actively and effectively engaging with the inactive. We also need to provide our residents with the most tailored and integrated support that we can achieve, by innovatively working together, thus giving us an ever more competitive labour market. We are working hard to connect the workless to local employment opportunities and to provide timely support to help them stay and to progress in employment, including using the skills and employment and the wider public service systems to minimise the impact of economic restructuring.

At the heart of this approach is the concept of co-commissioning. This is an umbrella term describing the tools and techniques we are developing to make multiple funding bodies and structures work as one to support a seamless and unique service for individuals and employers alike. This is a challenging task, requiring new ways of working by all. But it is required: our people need it, it is vital on grounds of efficiency, and it is the only way of preventing the recession from generating rampant initiatives ahead of sustainable and sound public policy.

# Watch this Space

One of the reasons Manchester has not yet published its strategy is that we are awaiting the conclusions of the largest economic study of its kind ever carried out: the Manchester Independent Economic Review.<sup>2</sup> This is a robust, year-long process to provide all evidence, analysis and explanation that can feasibly be found, and to come on that basis to conclusions that can inform decision-making at all levels. It is based on a series of studies, funded by a broad range of partners in Manchester and the wider region, and controlled by an independent panel of leading academics, prominent business people and the very best economic consultants. The Review is designed to develop a new economic narrative that will better-enable our

<sup>&</sup>lt;sup>2</sup> See http://www.manchester-review.org.uk/.

new governance structures to make the right long-term strategic economic choices, including in the area of skills and employment, a key part of our effort to become an innovative and competitive player in the new global world order that is unfolding before our eyes. That is what we all want and what economic theory says is best served by collaboration. The coming years in Manchester will show whether we are able to transform that enlightening theory into practice.